# Filed JUL 0 7 2021 Missouri Ethics Commission

### BEFORE THE MISSOURI ETHICS COMMISSION

MISSOURI ETHICS COMMISSION,	)
Petitioner,	) )
v.	)
FAMILIES AGAINST VIOLENCE, Continuing Committee,	) Case No. 20-0007-A
ZACHARY SANDERS, Treasurer,	) )
and	) )
MARLA UNDERWOOD, Former Treasurer,	, ) )
Respondents.	) )

## JOINT STIPULATION OF FACTS, WAIVER OF HEARING BEFORE THE MISSOURI ETHICS COMMISSION, AND CONSENT ORDER WITH JOINT PROPOSED FINDINGS OF FACT AND CONCLUSIONS OF LAW

The undersigned parties jointly stipulate to the facts and consent to the action set forth below.

The undersigned Respondents, Families Against Violence, Zachary Sanders, and Marla Underwood, acknowledge that they have received and reviewed a copy of the Legal Complaint filed by the Petitioner in this case, and the parties submit to the jurisdiction of the Missouri Ethics Commission.

The undersigned Respondents further acknowledge that they are aware of the various rights and privileges afforded by law, including but not limited to: the right to appear and be represented by counsel; the right to have all allegations against Respondents be proven upon the record by competent and substantial evidence; the right to cross-examine any witnesses appearing at the

hearing against Respondents; the right to present evidence on Respondents' behalf at the hearing; and the right to a decision upon the record of the hearing. Being aware of these rights provided to Respondents by operation of law, the undersigned Respondents knowingly and voluntarily waive each and every one of these rights and freely enter into this Joint Stipulation of Facts, Waiver of Hearing before the Missouri Ethics Commission, and Consent Order with Joint Proposed Findings of Fact and Conclusions of Law and agree to abide by the terms of this document.

I.

Based upon the foregoing, the Petitioner and the undersigned Respondents jointly stipulate to the following and request that the Missouri Ethics Commission adopt as its own the Joint Proposed Findings of Fact and the Joint Proposed Conclusions of Law, as follows:

#### JOINT PROPOSED FINDINGS OF FACT

- 1. The Missouri Ethics Commission is an agency of the State of Missouri established pursuant to Section 105.955, RSMo, in part for the purpose of enforcing the provisions of Chapter 130, RSMo. <sup>1</sup>
- 2. On July 3, 2017, Families Against Violence registered as a continuing committee by filing a Statement of Committee Organization with the Missouri Ethics Commission.
- 3. Marla Underwood was listed as the committee's Treasurer on the July 3, 2017 Statement of Committee Organization.
- 4. On April 30, 2018, the Statement of Committee Organization was amended to list Zachary Sanders as the committee's Treasurer.

<sup>&</sup>lt;sup>1</sup> Unless noted otherwise, all statutory references are to the Revised Statutes of Missouri 2000 (Supp. 2019).

- 5. Pursuant to Sections 105.959 and 105.961, RSMo, the Commission's staff audited the reports and statements filed with the Commission and reported the audit findings to the Commission.
- 6. Based on the audit report, the Commission determined that there were reasonable grounds to believe that violations of the law had occurred, and it therefore authorized a hearing in this matter pursuant to Section 105.961.3, RSMo.

#### Findings of Fact Pertaining to Families Against Violence and Former Treasurer, Marla Underwood

#### **COUNT I**

Reporting contributions and expenditures that were not processed through the committee's bank account

7. Respondents Underwood and Families Against Violence reported the receipt of three contributions, totaling \$2,900.00, that were not deposited into the committee's bank account.

Report Name	Date Filed	Contributor	Date	Amount
October Quarterly 2017	10/11/17	Josh Schisler	8/14/17	\$1,500.00
January Quarterly 2018	1/28/18	Josh Schisler	10/8/17	\$1,000.00
January Quarterly 2018	1/28/18	Josh Schisler	10/9/17	\$400.00
	<del></del>		Total	\$2,900.00

8. Respondents Underwood and Families Against Violence reported making seven contributions, totaling \$3,350.00, to other committees that were not made by and through the committee's bank account.

Report Name	t Name Expenditure Name		
October Quarterly 2017	Friends of Phil Christofanelli	\$500.00	8/14/17
October Quarterly 2017	Friends of Nick Schroer	\$500.00	8/14/17
October Quarterly 2017	Friends of Curtis Trent	\$500.00	8/14/17
October Quarterly 2017	Friends of Eric Burlison	\$450.00	9/18/17
January Quarterly 2018	Wieland Now	\$1,000.00	10/8/17
January Quarterly 2018	Friends of Nick Schroer	\$300.00	10/9/17
January Quarterly 2018	Friends of Curtis Trent	\$100.00	10/9/17
	Total	\$3,350.00	, , , , , ,

#### **COUNT III**

Failure to timely and accurately file campaign finance disclosure reports

9. Respondents Underwood and Families Against Violence untimely filed two reports.

Report Name	Year	Due Date	Date Filed
January Quarterly	2018	1/15/18	1/28/18
April Quarterly - Limited Activity	2018	4/16/18	4/30/18

#### **COUNT IV**

Failure to accurately report contributions received

10. Respondents Underwood and Families Against Violence inaccurately reported the aggregate amounts of four itemized contributions. These were all received from August 2017 to October 2017 from a single contributor, Josh Schisler.

#### **COUNT V**

Failure to timely and accurately report expenditures

11. Respondents Underwood and Families Against Violence failed to report two expenditures, totaling \$472.38.

Expenditure	Amount	Date	Report Not Showing Expenditure
Unknown	\$10.00	Unknown	October Quarterly 2017
Upwork Escrow	\$462.38	7/31/17	October Quarterly 2017
Total	\$472.38		

## Finding of Facts Pertaining to Families Against Violence and Treasurer Zachary Sanders

#### COUNT I

Reporting contributions and expenditures that were not processed through the committee's bank account

12. Respondents Sanders and Families Against Violence reported the receipt of five contributions, totaling \$5,500.00, that were not deposited into the committee's bank account.

Report Name	Date Filed	Contributor	Date	Amount
July Quarterly 2018	7/17/18	Josh Schisler	4/26/18	\$500.00
July Quarterly 2018	7/17/18	Josh Schisler	6/21/18	\$1,000.00
July Quarterly 2018	7/17/18	Josh Schisler	6/26/18	\$1,500.00
October Quarterly 2018	10/29/18	Josh Schisler	7/17/18	\$1,000.00
October Quarterly 2018	10/29/18	Josh Schisler	8/2/18	\$1,500.00
	•	·	Total	\$5,500.00

13. Respondents Sanders and Families Against Violence reported making seven contributions, totaling \$5,500.00, to other committees and a \$1,000.00 miscellaneous disbursement that were not made by and through the committee's bank account.

Report Name	Expenditure Name	Amount	Date	
July Quarterly 2018	Committee to Elect Sarah Mills	\$500.00	4/26/18	
July Quarterly 2018	Missourians for Cody Smith	\$1,000.00	6/21/18	
July Quarterly 2018	Wieland Now	\$1,000.00	6/26/18	
July Quarterly 2018	Citizens for Onder	\$500.00	6/26/18	
October Quarterly 2018	Friend of Elijah Haahr	\$1,000.00	7/17/18	
October Quarterly 2018	Wieland Now	\$500.00	8/2/18	
October Quarterly 2018	Citizens for Murphy	\$1,000.00	8/2/18	
Amended July Quarterly 2020	Computer Programming	\$1,000.00	unknown	
	Total	\$6,500.00	<b></b>	

#### **COUNT II**

Failure to accurately report money on hand

14. Respondents Sanders and Families Against Violence inaccurately reported the beginning and ending money on hand on two reports in 2020.

			Reported		Actual	
Report Name	From	То	MOH Beginning of Period	MOH End of Period	MOH Beginning of Period	MOH End of Period
2020				<u></u>		
Amended April Quarterly Report	9/2/18	3/31/20	\$238.90	\$2,001.99	\$122.62	\$231.88
Amended July Quarterly Report	4/1/20	6/30/20	\$2,001.99	\$179.12	\$231.88	\$0.00

#### COUNT III

Failure to timely and accurately file campaign finance disclosure reports

15. Respondents Sanders and Families Against Violence failed to timely file six reports.

Report Name	Year	Due Date	Date Filed
July Quarterly	2018	7/16/18	7/17/18
October Quarterly	2018	10/15/18	10/29/18
April Quarterly - Limited Activity	2019	4/15/19	4/18/19
January Quarterly - Limited Activity	2020	1/15/20	1/20/20
April Quarterly	2020	4/15/20	5/4/20
July Quarterly	2020	7/15/20	8/14/20

16. Respondents Sanders and Families Against Violence failed to file the 8 Day Before August 7, 2018 Primary Election Report and the 30 Day After August 7, 2018 Primary Election Report.

#### COUNT IV

Failure to accurately report contributions received

- 17. Respondents Sanders and Families Against Violence inaccurately reported the aggregate amounts of two itemized contributions. These were all received from July 2018 to August 2018 from a single contributor, Josh Schisler.
- 18. Respondents Sanders and Families Against Violence made a payment to Acuity on May 1, 2020 for \$167.41. On May 8, 2020, Respondents received \$251.17 from Acuity. Respondents inaccurately reported this as an \$83.76 miscellaneous disbursement; it should have been reported as a miscellaneous receipt.

#### **COUNT V**

Failure to timely and accurately report expenditures and contributions made

19. Respondents Sanders and Families Against Violence failed to report nine expenditures, totaling \$1,783.38.

Expenditure	Amount	Date	Report Not Showing Expenditure
Josh Schisler	\$500.00	3/2/20	April Quarterly 2020
Josh Schisler	\$500.00	3/5/20	April Quarterly 2020
Josh Schisler	\$500.00	3/10/20	April Quarterly 2020
Acuity	\$167.41	3/20/20	April Quarterly 2020
US Bank	\$36.00	4/3/20	July Quarterly 2020
US Bank	\$36.00	4/9/20	July Quarterly 2020
Deluxe Corporation	\$30.00	5/23/20	July Quarterly 2020
Mailchimp	\$9.99	5/19/20	July Quarterly 2020
NY Times	\$3.98	6/5/20	July Quarterly 2020
Total	\$1,783.38		

- 20. Respondents Sanders and Families Against Violence inaccurately reported twenty-eight transactions, totaling \$1,470.44, as miscellaneous disbursements. These expenditures consisted of bank fees, insurance, and phone costs. These transactions should have been reported as expenditures.
- 21. Respondents Sanders and Families Against Violence untimely reported thirty-four expenditures, totaling \$4,010.44. These expenditures consisted of bank fees, payments made to Josh Schisler, and phone costs.

#### **COUNT VII**

Accepting a contribution from a candidate committee

- 22. Respondents Sanders and Families Against Violence reported the receipt of two contributions, totaling \$7,224.00, from a candidate committee, one in February 2020 and one in April 2020.
  - 23. On May 23, 2020, the contributions were returned to the candidate committee.

#### Findings of Fact Involving all Respondents

#### COUNT VI

Failure to maintain committee records in accordance with accepted normal bookkeeping procedures

24. Respondents did not provide invoices, checks, receipts, and deposit records necessary to verify some of the contributions that Respondents received and expenditures that Respondents made.

#### JOINT PROPOSED CONCLUSIONS OF LAW

#### **COUNT I**

Reporting contributions and expenditures that were not found in the committee's bank account

- 25. "[A]Il contributions which the committee receives in money, checks and other negotiable instruments shall be deposited in a committee's official depository account. Contributions shall not be accepted and expenditures shall not be made by a committee except by or through an official depository account and the committee treasurer, deputy treasurer or candidate." § 130.021.4(1), RSMo
- 26. There is probable cause to believe that Respondents violated Section 130.021.4(1), RSMo, by failing to deposit all contributions into the committee's bank account and by making expenditures from sources other than the committee's bank account.

#### COUNT II

Failure to accurately report money on hand

27. Pursuant to Sections 130.041.1(2) and 130.041.1(5), RSMo, Respondents were required to disclose the amount of cash on hand as of the beginning of the reporting period and the closing date of the reporting period.

28. There is probable cause to believe that Respondents Sanders and Families Against Violence violated Sections 130.041.1(2) and 130.041.1(5), RSMo, by failing to accurately report beginning and ending money on hand on two reports in 2020.

#### **COUNT III**

Failure to timely and accurately file campaign finance disclosure reports

- 29. All committees must file regular campaign finance disclosure reports at the following times and for the following periods:
  - (1) Not later than the eighth day before an election for the period closing on the twelfth day before the election if the committee has made any contribution or expenditure either in support or opposition to any candidate or ballot measure;
  - (2) Not later than the thirtieth day after an election for a period closing on the twenty-fifth day after the election, if the committee has made any contribution or expenditure either in support of or opposition to any candidate or ballot measure; except that, a successful candidate who takes office prior to the twenty-fifth day after the election shall have complied with the report requirement of this subdivision if a disclosure report is filed by such candidate and any candidate committee under the candidate's control before such candidate takes office, and such report shall be for the period closing on the day before taking office; and
- (3) Not later than the fifteenth day following the close of each calendar quarter. §130.046.1, RSMo.
  - 30. Pursuant to Section 130.046.5(2), RSMo:

No disclosure report needs to be filed for any reporting period if during that reporting period the committee has neither received contributions aggregating more than five hundred dollars nor made expenditure aggregating more than five hundred dollars and has not received contributions aggregating more than three hundred dollars from any single contributor and if the committee's treasurer files a statement with the appropriate officer that the committee has not exceeded the identified thresholds in the reporting period. Any contributions received or expenditures made which are not reported because this statement is filed in lieu of a disclosure report shall be included in the next disclosure report filed by the committee.

- 31. There is probable cause to believe that Respondents Underwood and Families Against Violence violated Sections 130.046.1 and 130.046.5(2), RSMo, by failing to timely file two reports.
- 32. There is probable cause to believe that Respondents Sanders and Families Against Violence violated Sections 130.046.1 and 130.046.5(2), RSMo, by failing to timely file six reports and by failing to file two reports.

#### **COUNT IV**

Failure to accurately report contributions received

- 33. All committees are required to report receipts for each reporting period, including:
  - (a) Total amount of all monetary contributions received which can be identified in the committee's records by name and address of each contributor.
  - (e) A separate listing by name and address and employer, or occupation if self-employed or notation of retirement, of each person from whom the committee received contributions, in money or any other thing of value, aggregating more than one hundred dollars, together with the date and amount of each such contribution[.]

§ 130.041.1(3), RSMo.

34. There is probable cause to believe that Respondents violated Section 130.041.1(3), RSMo, by failing to accurately report contributions.

#### COUNT V

Failure to timely and accurately report expenditures and contributions made

- 35. All committees are required to report expenditures for each reporting period, including:
  - (a) The total dollar amount of expenditures made by check drawn on the committee's depository;
  - (b) The total dollar amount of expenditures made in cash;
  - (c) The total dollar value of all in-kind expenditures made;

- (d) The full name and mailing address of each person to whom an expenditure of money or any other thing of value in the amount of more than one hundred dollars has been made, contracted for or incurred, together with the date, amount and purpose of each expenditure. Expenditures of one hundred dollars or less may be grouped and listed by categories of expenditure showing the total dollar amount of expenditures in each category, except that the report shall contain an itemized listing of each payment made to campaign workers by name, address, date, amount and purpose of each payment and the aggregate amount paid to each such worker;
- (e) A list of each loan made, by name and mailing address of the person receiving the loan, together with the amount, terms and date[.]

§ 130.041.1(4), RSMo.

- 36. There is probable cause to believe that Respondents Underwood and Families Against Violence violated Section 130.041.1(4), RSMo, by failing to report two expenditures.
- 37. There is probable cause to believe that Respondents Sanders and Families Against Violence violated Section 130.041.1(4), RSMo, by failing to report nine expenditures, by failing to accurately report twenty-eight expenditures, and by failing to timely report thirty-four expenditures.

#### **COUNT VI**

Failure to maintain committee records in accordance with accepted normal bookkeeping procedures

- 38. "The candidate, treasurer or deputy treasurer of a committee shall maintain accurate records and accounts on a current basis." §130.036.1, RSMo.
- 39. "The records and accounts shall be maintained in accordance with accepted normal bookkeeping procedures and shall contain the bills, receipts, deposit records, cancelled checks and other detailed information necessary to prepare and substantiate any statement or report required to be filed pursuant to this chapter." § 130.036.1, RSMo.

- 40. "All records and accounts of receipts and expenditures shall be preserved for at least three years after the date of the election to which the records pertain. Records and accounts regarding supplemental disclosure reports or reports not required pursuant to an election shall be preserved for at least three years after the date of the report to which the records pertain. Such records shall be available for inspection by the campaign finance review board and its duly authorized representatives." § 130.036.8, RSMo.
- 41. There is probable cause to believe that Respondents violated Sections 130,036.1 and 130.036.8, RSMo, by failing to maintain the committee's finance records in accordance with accepted normal bookkeeping procedures, including bills, receipts, deposit records, cancelled checks and other detailed information necessary to prepare and substantiate any statement or report required under Chapter 130, RSMo.

#### **COUNT VII**

#### Accepting a contribution from a candidate committee

- 42. Pursuant to the Missouri Constitution Article VIII, Section 23.3(12), "political action committees shall only receive contributions from individuals; unions; federal political action committees; and corporations, associations, and partnerships formed under chapters 347 to 360, RSMo, as amended from time to time, and shall be prohibited from receiving contributions from... candidate committees[.]"
- 43. There is probable cause to believe that Respondents Sanders and Families Against Violence violated MO Const. Art. VIII, Sec. 23.3(12), by accepting and depositing two contributions from a candidate committee.

Based on the foregoing, the parties mutually agree and stipulate that the following shall constitute the order entered by the Missouri Ethics Commission in this matter. This order will be effective immediately upon the issuance of the Consent Order of the Missouri Ethics Commission without further action by any party:

- 1. The parties understand that the Petitioner will maintain this Joint Stipulation as an open and public record of the Missouri Ethics Commission.
- 2. Prior to finalizing settlement, Respondents Sanders and Families Against Violence will be required to file and amend reports and statements with the Commission.
- 3. The Commission shall issue its Consent Order in the form attached hereto as Exhibit A.
  - a. All Respondents shall comply with all relevant Sections of Chapter 130, RSMo.
  - b. It is the order of the Missouri Ethics Commission that a fee is imposed against all Respondents in the amount of \$4,000.00, pursuant to Section 105.961.4(6), RSMo. However, if Respondents pay \$400.00 within forty-five days after the date of the Consent Order, the remainder of the fee will be stayed. The fee will be paid by check or money order made payable to the Missouri Ethics Commission.
  - c. All Respondents shall be jointly and severally liable for all fees imposed in paragraph 3(b) under this order.

#### And

- d. It is also the order of the Missouri Ethics Commission that a fee is imposed against Respondents Underwood and Families Against Violence in the amount of \$472.00, pursuant to Section 105.961.4(6), RSMo. However, if Respondents pay \$47.00 within forty-five days after the date of the Consent Order, the remainder of the fee will be stayed. The fee will be paid by check or money order made payable to the Missouri Ethics Commission.
- e. Respondents Underwood and Families Against Violence shall be jointly and severally liable for all fees imposed in paragraph 3(d) under this order.

#### And

- f. It is also the order of the Missouri Ethics Commission that a fee is imposed against Respondents Sanders and Families Against Violence in the amount of \$2,783.00, pursuant to Section 105.961.4(6), RSMo. However, if Respondents pay \$278.00 within forty-five days after the date of the Consent Order, the remainder of the fee will be stayed. The fee will be paid by check or money order made payable to the Missouri Ethics Commission.
- g. Respondents Sanders and Families Against Violence shall be jointly and severally liable for all fees imposed in paragraph 3(f) under this order.
- h. Regardless of all the stays in paragraph 3(b), (d), and (f) above, if there is probable cause to believe that any Respondent commits any further violation of the campaign finance laws under Chapter 130, RSMo, within the two-year period from the date of this order, then the Respondent who committed the violation will be required to pay the remainder of the fees that were assessed upon them in this order. The fee will be due immediately upon final adjudication finding that there was probable cause to believe that such Respondent has committed such a violation.
- 4. The parties consent to the entry of record and approval of this Joint Stipulation and to the termination of any further proceedings before the Commission based upon the Legal Complaint filed by the Petitioner in this action.
- 5. Respondents, together with their heirs, successors, and assigns, do hereby waive, release, acquit and forever discharge the Missouri Ethics Commission and its attorneys of or from any liability, claim, actions, causes of action, fees, costs and expenses, and compensation, including but not limited to, a claim for attorney's fees, which Respondents or Respondents' attorney may now have or hereafter have, based upon or arising out of this case.

#### SO AGREED:

RESPONDENT FAMILIES AGAINST PETITIONER MISSOURI ETHICS COMMISSION **VIOLENCE** RESPONDENT ZACHARY SANDERS Brian Hamilton Attorney for Petitioner RESPONDENT MARLA UNDERWOOD By:\_\_\_\_\_ Marla Underwood Date ATTORNEY FOR MARLA UNDERWOOD By: Lara Underwood Date Law Offices of

Lara Underwood, LLC

RESPONDENT FAMILIES AGAINST PETITIONER MISSOURI ETHICS **VIOLENCE** COMMISSION By: Zachary Sanders Date Executive Director RESPONDENT ZACHARY SANDERS By: Brian Hamilton Attorney for Petitioner By: Zachary Sanders Date RESPONDENT MARLA UNDERWOOD

Lara Underwood

Marla Underwood

Date

Date

Law Offices of

Lara Underwood, LLC

## BEFORE THE MISSOURI ETHICS COMMISSION

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MISSOURI ETHICS COMMISSION,	) Commission
Petitioner,	) ) Case No. 20-0007-A
v.	) )
FAMILIES AGAINST VIOLENCE,	
ZACHARY SANDERS,	) }
and	
MARLA UNDERWOOD,	)
Respondents.	)

#### **CONSENT ORDER**

The parties have filed a Joint Stipulation of Facts, Waiver of Hearing, and Proposed Consent Order with the Missouri Ethics Commission. Accordingly, the Missouri Ethics Commission accepts as true the facts stipulated and finds there is probable cause to believe that:

(1) All Respondents violated Sections 130.021.4(1), 130.036.1, 130.036.8, and 130.041.1(3), RSMo; (2) Respondents Sanders and Families Against Violence violated Sections 130.041.1(2), 130.041.1(4), 130.041.1(5), 130.046.1, 130.046.5(2), RSMo, and MO Const. Art. VIII, Sec. 23.3(12); and (3) Respondents Underwood and Families Against Violence violated Sections 130.041.1(4), 130.046.1, and 130.046.5(2), RSMo.

The Commission directs that the Joint Stipulation be adopted.

- 1. All Respondents shall comply with all relevant sections of Chapter 130, RSMo.
- 2. It is the order of the Missouri Ethics Commission that a fee is imposed against all Respondents in the amount of \$4,000.00, pursuant to Section 105.961.4(6), RSMo. However, if Respondents pay \$400.00 within forty-five days after the date of this Consent Order, the remainder of the fee will be stayed. The fee will be paid by check or money order payable to the Missouri Ethics Commission.

- 3. All Respondents shall be jointly and severally liable for all fees imposed in paragraph 2 under this order.
- 4. It is also the order of the Missouri Ethics Commission that a fee is imposed against Respondents Underwood and Families Against Violence in the amount of \$472.00, pursuant to Section 105.961.4(6), RSMo. However, if these Respondents pay \$47.00 within forty-five days after the date of the Consent Order, the remainder of the fee will be stayed. The fee will be paid by check or money order made payable to the Missouri Ethics Commission.
- 5. Respondents Underwood and Families Against Violence shall be jointly and severally liable for all fees imposed in paragraph 4 under this order.
- 6. It is also the order of the Missouri Ethics Commission that a fee is imposed against Respondents Sanders and Families Against Violence in the amount of \$2,783.00, pursuant to Section 105.961.4(6), RSMo. However, if these Respondents pay \$278.00 within forty-five days after the date of this Consent Order, the remainder of the fee will be stayed. The fee will be paid by check or money made payable to the Missouri Ethics Commission.
- 7. Respondents Sanders and Families Against Violence shall be jointly and severally liable for all fees imposed in paragraph 6 under this order.
- 8. Regardless of all the stays in paragraph 2, 4, and 6 above, if there is probable cause to believe that any Respondent commits any further violation of the campaign finance laws under Chapter 130, RSMo, within the two-year period from the date of this order, then the Respondent who committed the violation will be required to pay the remainder of the fees that were assessed upon them in this order. The fee will due immediately upon final adjudication finding that there was probable cause to believe such Respondent has committed such a violation.

SO ORDERED this 7th day of July, 2021

Cheryl D. S. Walker, Chair

Missouri Ethics Commission